

MICHIGAN STATE WATERWAYS COMMISSION
REGULAR MEETING

Minutes of the meeting of
February 5, 2003
Nicolet Room A and B, Marriott Renaissance Center
Detroit, Michigan

A regular meeting of the Michigan State Waterways Commission was called to order by Chairman Winn at 9:00 a.m. on Wednesday, February 5, 2003, in the Nicolet Room A and B, Marriott Renaissance Center, Detroit, Michigan. The following Commissioners were present:

John Winn, Chair
Frank Opolka, Secretary
Pete Beauregard
David Johnson
Bob Spicer
John VanderMolen

Commissioner Giffin was excused.

George Burgoyne, Resource Management Deputy, and Lansing staff were present.

Commissioner Winn welcomed all in attendance to the meeting.

Upon motion by Commissioner Opolka, seconded by Commissioner Beauregard, the minutes of the December 13, 2002 meeting in Lansing were approved.

Project Status Report - Paul Peterson, Department of Natural Resources (DNR) Boat Launch Manager, provided a description of current Harbor projects. The projects included those at Cedar River, Traverse City Clinch Marina Expansion, and St. Ignace Marina.

Boating Access Sites – Mr. Peterson provided a handout to the Commission picturing boating access sites at Morrison Lake in Ionia County and Dixon Lake in Otsego County as examples of typical access sites. Also included in the handout was a copy of the design concept plan for the Boating Access Site at Crystal Lake in Benzie County. Mr. Peterson said the plan was still in the preliminary design stage; the next step will be to develop final design drawings and seek permits through the Department of Environmental Quality. While there is still some individual opposition to the project, the DNR has found a great deal of support from local communities and other interested stakeholders. Construction is anticipated to begin in 2004.

Public Comments

Bill Simms, Henderson Marina, questioned the status of the Erma Henderson Marina, Grayhaven Marina and St. Aubin's Marina as there has been involvement by both the State and the City of Detroit. Simms expressed his apologies that he was not in attendance at the October Waterways Commission meeting in Ludington to comment on 2003 rate changes.

Burgoyne commented that the Waterways Commission toured the St. Aubin Marina site on Thursday, February 4, 2003. Burgoyne noted that St. Aubin Marina may not open this year at the beginning of the boating season, but expects it to be open by the end of the summer.

Mr. Simms understands that the request to reduce rates at Henderson is a City of Detroit issue, but felt the need to bring his concerns to the State by way of the Waterways Commission. He believes there are some serious problems with the current rates at Henderson Marina as it is more expensive than at any other place in Detroit. Because the Marina was closed last year, many of the tenants have gone elsewhere. Mr. Simms recollected that 30 years ago the State Waterways Commission devised a lottery system for use at the Marina, but the City of Detroit chose not to use it. Mr. Simms lamented that the Marina was once a thriving a community, but is no longer. He believes the key to revitalizing the Marina is to reduce the rates which will attract more people. Mr. Simms requested that the Commission become involved in requesting the City of Detroit reduce the rates at Henderson.

Chairman Winn reiterated that issues related to the Erma Henderson Marina were a City of Detroit concern, but assured Mr. Simms he would follow through with a call to the City of Detroit.

Commissioner Beauregard said he would direct staff to find out the rates of other marinas in the area and how they compare to Henderson. Mr. Simms will provide additional information to the Commission.

Sec Garcia, Community Services Director, City of Grand Haven, appeared to answer questions the Commission may have regarding Grand Haven's special event requests.

City of Grand Haven requested permission to use 20 slips in the municipal facility for the Coast Guard Festival event that are used by the sponsors as a fundraiser for the Festival. The Festival is scheduled to take place from July 25 through August 3, 2003. This request was increased by 5 slips from the request made in 2002. Commissioner Winn commented that the mission of the Waterways Commission is to provide support for the general boating population and not to provide the means for a special interest group to raise funds. Upon motion by Commissioner Opolka, seconded by Commissioner Beauregard it was unanimously

RESOLVED, that the Waterways Commission does hereby deny the City of Grand Haven's request for 20 slips for the Coast Guard Festival. The Waterways Commission does hereby approve the use of 15 slips for the Coast Guard Festival.

The City of Grand Haven further requested use of transient slips 1-31 for the exclusive use of participants in the Venetian Boat Parade; this would entail the use of the slips for staging the event on July 24, 2003 and the relocation of transient boaters for the evening of July 26, 2003 during the Coast Guard Festival. Upon motion by Commissioner Beauregard, seconded by Commissioner Spicer, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the use of 31 slips for the Venetian Boat Parade.

Commissioner Spicer asked for a review of the policy in place regulating the use of slips being auctioned off as part of a fundraiser; if no policy exists, then what regulations can be created to address this issue. Commissioner Winn would like to discuss this issue at the April 25, 2003 Waterways Commission Meeting. He stated the Commission has approved this for the last 20 years and asked for time for review. Mr. Garcia said he will supply the history, revenue generated, the registration process, the average dollar difference between the auctioned slip cost and the public slip cost and what the benefit it is to the public.

Eric Cline, Alpena Assistant City Manager and Alpena City Engineer, Rick Sullenger, extended the gratitude of the City of Alpena to the Waterways Commission for all of their past support. They are looking forward to the April 25, 2003 Waterways Commission meeting in Alpena.

Mr. Cline and Mr. Sullenger provided the Commission with background information about the City of Alpena and the marina. They stated that the full-service marina has been a part of the city's heritage and focus of the community. It has become a destination point for the northeast lower peninsula since the U. S. National Oceanic and Atmospheric Association declared Thunder Bay as a National Marine Sanctuary and Underwater Preserve.

The City of Alpena has accomplished a number of projects over the years to their harbor and marina including marina building improvements; water recycling plant improvements (as it is located next to the marina); landscaping; and utilizing Grant-in-Aid funds, creation of a breakwater walkway extension for a fishing pier.

Mr. Cline said they are willing to go on the Central Reservation System and they have directed an initiation of the process; the Marina has a presence on the Web and the City is in the process of updating its Web site and will add this component. Commissioner Beauregard affirmed stating the City has much to offer.

Upon motion by Commissioner VanderMolen, seconded by Commissioner Opolka, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve for one year the City of Alpena's request for the use of 31 slips converted from transient to seasonal with fees being assessed at Rate Area Two.

The City of Alpena requested a variance to decrease transient fees by 20 per cent. Transient slip rental daily average for the peak months of June, July and August, not including the Brown Trout Festival. The City of Alpena is trying to entice boaters to come into the marina and feel that a reduction in transient fees by 20 per cent will help. Mr. Cline stated that the City of Alpena's marina is not in competition with any private marinas as there are none located in their area, the nearest marina is in Harrisville and Rogers City. Chairman Winn stated that the Waterways Commission does not believe that generally it has been beneficial to marinas to reduce transient rates, but the Commission would be willing to try the reduction for one year and then the City of Alpena must report to the Waterways Commission at the end of the boating season with specific data detailing the rates of occupancy for the Commission's review. Upon motion by Commissioner Johnson, seconded by Commissioner Beauregard, it was unanimously

RESOLVED that the Waterways Commission does hereby approve the City of Alpena's request for a variance to decrease the transient fee by 20 per cent for one year on the condition that the City of Alpena participate in the State Harbor Reservation System by April 15, 2003 and that the City of Alpena provide to the Waterways Commission seasonal/transient documentation at the end of the boating season.

The City of Alpena requested permission for two commercial glass bottom excursion boats to operate out of the City Marina. Upon motion by Commissioner Opolka, seconded by Commissioner VanderMolen, it was unanimously

RESOLVED that the Waterways Commission does hereby approve the operation of two commercial glass bottom excursion boats to operate out of the City Marina, on the condition that the boats are docked in an area away from the transient slips.

The City of Alpena requested permission to charge the Sea Scouts, a division of the Boy Scouts of America, \$100 for transient slip fee to dock a sloop and two dinghies at the City Marina. George Burgoyne stated that, contrary to the requirement stipulated to in 2002 that a report on previous activities related to the Sea Scouts be supplied, a report has not been submitted. Mr. Burgoyne added that the Department was not opposed to having the City of Alpena resubmit the required documents prior to March 31, 2003. City of Alpena officials stated they would do so. Upon motion by Commissioner Beauregard, seconded by Commissioner Spicer, it was unanimously

RESOLVED that the Waterways Commission does hereby deny permission to charge the Sea Scouts a reduced rate for one of the transient slips.

The City of Alpena requested approval of a request from the Michigan Department of Natural Resources (MDNR) Law Enforcement Division for free dockage at the City Marina for a 23' patrol boat at a transient slip. Upon motion by Commissioner Opolka, seconded by Commissioner Beauregard, it was unanimously

RESOLVED that the Waterways Commission does hereby approve the request from the City of Alpena for MDNR Law Enforcement boat to be allowed to dock free of charge in one of the transient slips.

The Bois Blanc Island Harbor Commission requested a variance of commercial boat broadside docking fees at their Grant-In-Aid facility. The current contracts are under review as they have not been approved by the Michigan State Waterways Commission (and have not been approved since 1988). The Waterways Commission wishes to have the issue reviewed by the Waterways Commission's Finance Committee prior to the April Waterways Commission meeting. Upon motion by Commissioner Beauregard, seconded by Commissioner Johnson, it was unanimously

RESOLVED that the Waterways Commission does hereby table until the April Waterways Commission meeting the request from the Bois Blanc Island Harbor Commission for a variance of commercial boat broadside docking fees at their Grant-In-Aid facility.

City of Harbor Beach requested permission to allow 57 of their 114 slips for use as seasonal slips. They further requested that two of the seasonal slips be approved for commercial use by charter boats. Upon motion by Commissioner Beauregard, seconded by Commissioner Opolka, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the request of the City of Harbor Beach to allow 57 of their 114 slips for use as seasonal slips. In addition, two of the seasonal slips are approved for commercial use by charter boats. Both approvals are contingent upon participation by the City of Harbor Beach Harbor in the DNR's State Harbor Reservation System for 2003, with an acceptance date of April 15, 2003.

Mr. Herta will approach the City of Harbor Beach to notify them of the time line.

Commissioner Johnson requested a list of all communities who are in the State Harbor Reservation System and those who are not currently participating. He has also asked that a map be provided detailing locations of the communities. Mr. Burgoyne agreed to provide such lists and maps to the Commissioners prior to the April meeting.

The City of New Buffalo requested a variance from Rate Area One to the Mackinac Island Rate schedule for the 2003 boating season. Upon motion by Commissioner Opolka, seconded by Commissioner Spicer, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the variance request of New Buffalo from Rate Area One to the Mackinac Island Rate schedule for the 2003 boating season.

City of Traverse City requested permission to use the 2003 Mackinac Island rate schedule for transient boaters. In addition, the City of Traverse City requested permission to raise rates up to 5 per cent higher for the seasonal slips at the Duncan L. Clinch Marina. Upon motion by Commissioner Beauregard, seconded by Commissioner Johnson, it was unanimously

RESOLVED, that the Waterways Commission does hereby approve the City of Traverse City's request to use the 2003 Mackinac Island rate schedule which was discussed at the February 5, 2003 Waterways Commission meeting, contingent upon the City of Traverse City's participation in the Central Reservation System by April 15, 2003.

Upon motion by Commissioner Beauregard, seconded by Commissioner Johnson, it was unanimously

RESOLVED that the Waterways Commission does hereby table the request of the City of Traverse City to grant the authority to charge a 5% rate above the established zone rate to seasonal slip boaters; in addition, the City is requested to provide complete financial information justifying the rate change prior to the Commission Meeting for approval to be considered at the April, 25 meeting in Alpena.

Chairman Winn reported that the following Waterways Standing Committee assignments have been made for 2003:

Facilities:	Beuregard, Giffin, Winn
Operations/Policy	Opolka, Spicer, VanderMolen
Boating Access	Opolka, Spicer, VanderMolen
Public/Governmental Relations	Beuregard, Giffin, Johnson
Finance	Giffin, Johnson, Winn

Commissioner Johnson proposed a motion to follow up on a discussion from the meeting on Tri-Centennial State Park and Harbor held on Tuesday, February 4 that staff provide five recommendations to the Commission in order to recoup the 6 million redirected from waterways funds and five recommendations as to how to prevent the redirection of funds in the future. Discussion ensued and Commissioner Johnson withdrew his motion.

Beauregard requested that the Finance Standing Committee be supplied with administrative costs charged to the funding sources of the Commission. Upon motion by Commissioner Beauregard, seconded by Commissioner VanderMolen, it was unanimously

RESOLVED that the Waterways Commission does hereby request that the Finance Standing Committee be supplied by the Department of Natural Resources with administrative costs charged to the funding sources of the Commission.

In an effort to increase the use of the Central Reservation System with those marinas not currently in the reservation system, the Department plans to send each marina a letter, along with documents detailing the operation of the system. The letter would encourage each marina to participate during the 2003 boating season by highlighting positive experiences other communities have encountered while on the system.

Harold Herta stated that the CRS is capable of handling reservations for all harbors; however, there is an issue with entering the volume of data and must be coordinated between Spherix (the CRS vendor) and satellite people.

Per the request of the Commission from the December Waterways Commission meeting, Mr. Herta provided an update on the current policy regarding the pricing of harbor fuel. The previous policy of 15 cents per gallon above the bulkhead cost; the new policy involves a weekly price averaging of fuel costs at 3 marinas closest to their marina; using this data to set fuel price will allow the price to be more in line with their closest competition. If there is a war, prices will be reviewed to prevent problems such as gas gouging.

Mr. Herta proceeded to provide an overview of the current and future enhancements to the Harbor Reservation System. Mr. Herta described how a “hold button” would give harbor staff the ability to hold a slip, protecting it from call center calls and internet users. He also spoke of the ability to adjust fees upwardly, with supervisor approval, when dealing with commercial vessels. The Harbormaster would also be able to override the system to allow a boater to stay for breakdown reasons. Other “housekeeping” features include the ability to update vessel information without creating a new record; utilizing one computer network; appropriate staff provided with the ability to create and review consolidated reports.

Mr. Herta mentioned a “local sale” feature, tracking the revenue from various purchases that are offered at the marina, for example, slip fees, fuel, food and ice purchases need to be kept separate when reporting financial data. As discussed at the December, 2002 meeting, this is a necessary feature, but has never been intended to be used as an inventory tracking devise.

Mr. Herta stressed that the goal of streamlining these processes has always been to provide better customer service.

Commissioner Beauregard commented that these enhancements to the computer system are huge improvements and that the harbormasters must be pleased with them.

Chairman Winn stated that all Commissioners are asked many questions from the general public about the Central Reservation System and that it would be useful to have a

composite of frequently asked questions prepared for their use in such situations. Chairman Winn also suggested that a tri-fold brochure be developed and stocked at harbors and marinas describing the Central Reservation System.

Commissioner Beauregard asked if the Michigan State Harbor Guide would be reprinted. Lowen Schuett and George Burgoyne questioned if 2003 was the year to reprint, as there is a 3-year printing schedule for the Guide.

On behalf of Director K. L. Cool, George Burgoyne presented each Commissioner with a document prepared by the DNR entitled "Issues Accomplished".

The meeting was adjourned at 10:45 a.m.